## REMARKS

Claims 1-11 and 13-14 were pending in this application. Claims 1-8, 11, 13-20 and 36 are allowed. Claims 38, 41 and 44 are cancelled. Claims 21, 28, 35, 37, 40, 43 and 46 are amended. No new matter is being introduced.

The Examiner has requested that Applicant offer to surrender the original parent. Applicant will surrender the original patent when the Examiner has indicated that the application, including all pending claims, is in a condition for allowance.

The Examiner rejected claims 37, 40, 43 and 46 under 35 U.S.C. 102(e) as being unpatentable over Parulski. Claims 37, 40, 43 and 46 are amended to recite that a <u>subset</u> of data is rotated in response to an orientation signal. Parulski does not disclose rotating only a subset of data, and therefore claims 37, 40, 43 and 46 are patentable over Parulski. With these amendments, claims 37, 40, 43 and 46 take on similar scope to now-cancelled claims 38, 41 and 44, which were rejected by the Examiner over Parluski in combination with Yoneyama. Because the combination of the two references is improper, as described further below, claims 37, 40, 43 and 46 are also patentable over Parulski and Yoneyama.

The Examiner next rejected claims 9, 10, 24, 31, 37, 38, 40, 41, 43, 44, 47 and 48 under 35 U.S.C. 103(a) as being unpatentable over Yoneyama in view of Parulski. Yoneyama discloses a method of correcting for unwanted tilting of a camera. Parulski teaches a rotating an image captured by a still camera. However, Parulski explicitly teaches away from a combination with Yoneyama. For example, at col. 1, line 66 – col. 2, line 18, Parulski states:

Another type of picture processing corrects for unwanted tilting of the camera. As shown in U.S. Pat. No. 5,227,889 [Yoneyama] a video camera detects, and corrects for, the amount of slant of the entire camera in the vertical direction, due to inclination of the video camera while, e.g., walking. The

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slant is corrected by controlling the addressing of two field memories, depending on the slant information, thereby delivering an output signal that is corrected for slant of the output moving picture signals in real time. As a result, unwanted camera orientations are corrected in the output signal. While correcting for accidental slant of a motion video camera may make good sense, a still camera is frequently maneuvered so as to purposefully take a slanted picture, e.g., to include all desired picture detail in the still picture. A continuous slant correction would defeat this capability. The problem, in other words, is not with the handling of unwanted situations such as picture slant, but with the handling of desired situations, such as 'portrait' orientations, and the provision of appropriate corrections for those situations

(emphasis added). Thus, Parulski makes clear that Yoneyama is not combineable with Parulski, and the combination would frustrate the disclosure of Parulski. It is improper to combine references where the references teach away from their combination. In re Grasselli, 713 F.2d 731, 743 (Fed. Cir. 1983); MPEP § 2145. Accordingly, the combination of Yoneyama and Parulski is improper and should be withdrawn, and claims 9, 10, 24, 31, 37, 38, 40, 41, 43, 44, 47 and 48 should be allowed..

The Examiner rejected claims 21-22, 28-29 and 35 under 35 U.S.C. 103(a) as being unpatentable over Yoneyama. Claims 21, 28 and 35 are amended to recite image data having a Bayer pattern, which is not disclosed, taught or suggested by Yoneyama. Accordingly, claims 21, 28 and 35 are patentable over Yoneyama. Dependent claims 22-23 and 29-30 are also patentable over Yoneyama, both because they dependent from patentable independent claims, and because they recite their own patentable features.

The Examiner allowed claims 1-8, 11, 13-20 and 36, for which Applicant expresses his appreciation. In his reasons for allowance, the Examiner stated that "no prior art could be located that teaches or fairly suggests an electronic camera that detects rotation of its body and has an image capture unit separate from the image sensor that generates an additional row and column of pixels for captured image data."

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Although Applicant does not dispute the Examiner's findings, it should be understood that Applicant does not concede that the features identified by the Examiner are the sole basis upon which the allowed claims are differentiable over the prior art.

On the basis of the above amendments and remarks, consideration of this application and the allowance of all claims now pending are requested. Should any issues remain outstanding, he is invited to telephone Applicant's representative at the number shown below.

> Respectfully submitted, ERIC C. ANDERSON

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